

STATE OF WISCONSIN
DEPARTMENT OF HEALTH AND FAMILY SERVICES
DIVISION OF MANAGEMENT AND TECHNOLOGY
BUREAU OF FISCAL SERVICES

ACCOUNTING PROCEDURE

TOPIC: Section 9 - FMS Processing 2.1	EFFECTIVE DATE: 6/27/83
TITLE: Request for Project Codes	REVISION DATE: 02/13/98
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BACKGROUND

Project codes are used to segregate costs for a specific period of time or purpose. All project codes must be assigned by the Bureau of Fiscal Services (BFS). The following procedures should be followed to request the establishment of a project.

PROCEDURE FOR FEDERALLY FUNDED GRANT OR CONTRACT

1. Initial Grant Application for Projects or Programs

Federal Grants/Contracts are received through the process of applications submitted by DHFS organizations. The organizations must follow the Department Grant Application Process. (The Division Grants Coordinator or Office of Strategic and Finance Grant Manager can provide technical assistance.) Grants must be processed through the Division's Grants Coordinator, who will facilitate Division, DHFS Departmental, and Department of Administration approval of the grant application. Department of Administration will review all grant applications. Only Department of Administration and the DHFS Secretary can commit the Department to apply for funding.

Project numbers for an initial grant application will be assigned only after a grant award has been received.

The Division Fiscal Liaison or Institution Business Manager should notify the respective lead accountant in Bureau of Fiscal Services when a new grant award is received. A copy of the signed grant award should be forwarded to the lead accountant.

After the project number is assigned by BFS, a copy of the DMT-777 will be returned to the division fiscal liaison and personnel staff in the division, or the institution business manager.

2. Continuing Projects or Programs

A continuing project or program may have provisions in the existing grant that indicates subsequent years of funding are available. The

division must apply for each subsequent year of funding, following the same procedure as in #1, paragraph 1.

If the division/institution has assurances that they will receive funding for the subsequent year, a new project number may be assigned prior to the receipt of a grant award through mutual agreement of the Division fiscal liaison/institution business manager and BFS lead accountant. Examples of assurances would be a memo (or copy of document received) submitted to BFS indicating the Federal Grant Project Officer was contacted and per telephone conversation, fax, or e-mail, the grant award is forthcoming. This correspondence would also indicate date the official document is anticipated. If for some reason the continuing grant is not funded, the division/institution is responsible for all costs incurred by the unfunded project.

If funding terminates or there is anticipation the funding will not be renewed, the following procedures are required:

- A. Division personnel and Bureau of Personnel and Employment Relations (BPER) must be notified if staff are funded by the affected funding source.
- B. Affected staff must be issued timely layoff notices in accordance with union contract provisions, or department personnel policy, **or** affected staff must be moved to other positions.
- C. Proper procedures must be implemented to close out contracts and purchase orders; billing numbers and user codes must be inactivated. This will enable a final report of expenditures to be reported timely.

3. **Entitlement Programs/Block Grants**

Entitlement Programs/Block Grants include programs such as:

- Medical Assistance
- Foster Care
- Social Services Block Grant

If the federal government requires a state plan or application, it is necessary to process the plans or applications according to Department grant application procedures.

BFS Project or Lead Accountant will set up the new project at the appropriate time each state fiscal year or federal fiscal year.

PROCEDURES FOR ALL OTHER PROJECTS

All non-federal funds received, such as a foundation grant, require a grant application be approved by the department and Department of Administration. After receipt of approvals and a notice of the funds granted to the department, a project number would need to be established.

Organizations that wish to segregate funds for non-grant purposes need to contact the respective BFS Project or Lead Accountant.

CONTACT PERSON

Your Project or Lead Accountant